

# Condensed Interim Balance Sheet

As at September 30, 2014

	Note	September 30, 2014 (Un-audited)	June 30, 2014 (Audited)
(Rupees in '000)			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	561,324	573,393
Long term deposits and other receivables		6,234	6,234
Long term investment	5	1,028,320	1,028,320
		<b>1,595,878</b>	<b>1,607,947</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		65,126	55,336
Stock-in-trade		600,363	442,487
Trade debts		429,990	246,250
Advances, deposits, prepayments and other receivables		10,891	67,361
Accrued profit		8,427	974
Sales tax receivable	6	7,914	7,619
Short term investments		350,237	510,410
Taxation – net		26,771	27,219
Cash and bank balances		168,959	135,344
		<b>1,668,678</b>	<b>1,493,000</b>
<b>TOTAL ASSETS</b>		<b>3,264,556</b>	<b>3,100,947</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital 40,000,000 (June 30,2014: 40,000,000) Ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up share capital		144,000	144,000
Reserves		2,595,955	2,665,617
		<b>2,739,955</b>	<b>2,809,617</b>
<b>NON CURRENT LIABILITY</b>			
Deferred taxation		58,822	61,055
<b>CURRENT LIABILITIES</b>			
Short term finances & borrowings		58,661	-
Trade and other payables		407,118	230,275
		<b>465,779</b>	<b>230,275</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,264,556</b>	<b>3,100,947</b>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

  
**YUTAKA ARAE**  
 Chairman

  
**FAHIM KAPADIA**  
 Chief Executive

# Condensed Interim Profit and Loss Account

For the quarter ended September 30, 2014 (Un-audited)

	Quarter ended	
	September 30, 2014	September 30, 2013
(Rupees in '000)		
Turnover – net	888,303	751,270
Cost of sales	(731,779)	(642,487)
<b>Gross profit</b>	<b>156,524</b>	<b>108,783</b>
Distribution costs	(18,682)	(14,920)
Administrative expenses	(33,202)	(26,270)
Finance cost	(453)	(49)
	<b>(52,337)</b>	<b>(41,239)</b>
<b>Operating profit</b>	<b>104,187</b>	<b>67,544</b>
Other charges	(8,453)	(5,350)
Other income	12,455	4,857
	<b>4,002</b>	<b>(493)</b>
<b>Profit before taxation</b>	<b>108,189</b>	<b>67,051</b>
Taxation	(33,851)	(19,619)
<b>Profit after taxation</b>	<b>74,338</b>	<b>47,432</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Earnings per share - basic and diluted</b>	<b>2.58</b>	<b>1.65</b>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

  
**YUTAKA ARAE**  
 Chairman

  
**FAHIM KAPADIA**  
 Chief Executive

# Condensed Interim Statement of Comprehensive Income

For the quarter ended September 30, 2014 (Un-audited)

	Quarter ended	
	September 30, 2014	September 30, 2013
	(Rupees in '000)	
<b>Net profit for the period</b>	74,338	47,432
<b>Other comprehensive income for the period</b>		
Unrealized gain on change in fair value of available-for-sale investments arising during the period – net of tax	-	7,363
	-	7,363
<b>Total comprehensive income the period</b>	<u>74,338</u>	<u>54,795</u>

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**YUTAKA ARAE**  
 Chairman

  
**FAHIM KAPADIA**  
 Chief Executive

# Condensed Interim Cash Flow Statement

For the quarter ended September 30, 2014 (Un-audited)

	Quarter ended	
	September 30, 2014	September 30, 2013
	(Rs. in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>108,189</b>	67,051
Adjustments for:		
Depreciation	17,752	15,726
Finance costs	453	49
Provision for impairment of trade debts	1339	28
Gain on disposal of property, plant and equipment	(9)	-
Liabilities no longer payable – written back	(15)	(327)
Profit on short-term investments / bank balances	(11,355)	(4,182)
	<b>116,354</b>	78,345
Decrease / (increase) in current assets	(296,567)	138,876
Decrease in current liabilities	32,441	(64,585)
<b>Cash generated from operations</b>	<b>(147,772)</b>	152,636
Finance costs paid	(5)	(49)
Income tax paid	(35,637)	(42,697)
Long term deposits	-	(520)
<b>Net cash generated from / (used in) operating activities</b>	<b>(183,414)</b>	109,370
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(6,601)	(27,135)
Proceeds from disposal of property, plant and equipment	925	-
Acquisition of short term investments	-	(450,000)
Profit received on investments / bank balances	4,075	4,124
<b>Net cash used in investing activities</b>	<b>(1,601)</b>	(473,011)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(31)	(12)
<b>Net cash used in financing activities</b>	<b>(31)</b>	(12)
<b>Net decrease in cash and cash equivalents</b>	<b>(185,046)</b>	(363,653)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>645,344</b>	600,812
<b>Cash and cash equivalents at the end of the period</b>	<b>460,298</b>	237,159
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	168,959	137,159
Short-term investments	350,000	100,000
Short-term finance & borrowings	(58661)	-
	<b>460,298</b>	237,159

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

  
**YUTAKA ARAE**  
 Chairman

  
**FAHIM KAPADIA**  
 Chief Executive

# Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2014 (Un-audited)

Issued, subscribed and paid-up capital	R e s e r v e s					Total	Total equity
	Capital reserve	Revenue reserves		Gain on changes in fair value of available-for-sale investments	Total		
	Share premium	General	Unappropriated profit				

(Rs. in 000')

Balance as at July 01, 2013	144,000	12,598	2,160,000	343,181	41	2,515,520	2,659,820
Transfer to general reserve	-	-	175,000	(175,000)	-	-	-
Profit after taxation for the period	-	-	-	47,432	-	47,432	47,432
Other comprehensive income	-	-	-	-	7,363	7,363	7,363
Total comprehensive income for the period	-	-	-	47,432	7,363	54,795	54,795
<b>Balance as at September 30, 2013</b>	<b>144,000</b>	<b>12,598</b>	<b>2,335,000</b>	<b>215,613</b>	<b>7,404</b>	<b>2,570,615</b>	<b>2,714,615</b>
Balance as at July 01, 2014	144,000	12,598	2,335,000	318,019	-	2,665,617	2,809,617
Final dividend for the year ended June 30, 2014 @ Rs.5/- per share	-	-	-	(144,000)	-	(144,000)	(144,000)
Transfer to general reserve	-	-	170,000	(170,000)	-	-	-
Profit after taxation for the period	-	-	-	74,338	-	74,338	74,338
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	74,338	-	74,338	74,338
<b>Balance as at September 30, 2014</b>	<b>144,000</b>	<b>12,598</b>	<b>2,505,000</b>	<b>78,357</b>	<b>-</b>	<b>2,595,955</b>	<b>2,739,955</b>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

  
**YUTAKA ARAE**  
 Chairman

  
**FAHIM KAPADIA**  
 Chief Executive

# Notes to the Condensed Interim Financial Statements

For the quarter ended September 30, 2014 (Un-audited)

## 1. THE COMPANY AND ITS OPERATIONS

- 1.1 Agriauto Industries Limited (the Company) was incorporated in Pakistan on June 25, 1981 as a public limited company, under the Companies Act, 1913 (now the Companies Ordinance, 1984), and is listed on the Karachi and Lahore stock exchanges of Pakistan since June 1984. The Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Company is situated at 5<sup>th</sup> Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.
- 1.2 These condensed interim financial statements are separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of direct equity interest and is not consolidated or accounted for using equity method.

## 2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) – 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2014.

## 3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of financial statements for the year ended June 30, 2014.

During the period, the Company has adopted amended IFRSs as referred in note 2.2 to the annual financial statements for the year ended June 30, 2014. The adoption of such amended standards did not have any material effect on these condensed interim financial statements.

	Note	September 30, 2014 (Un-audited)	June 30, 2014 (Audited)
(Rupees in '000)			
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	560,059	570,428
Capital work-in-progress		1,265	2,965
		<u>561,324</u>	<u>573,393</u>

- 4.1 The following additions and deletions (at cost) were made in operating fixed assets during the period:

	Quarter ended September 30, 2014 (Un-audited)	
	Additions	Deletions
	(Rs. in 000')	
<b>Owned</b>		
Plant and machinery	6,361	-
Furniture and fixtures	240	-
Vehicles	-	1,034
	<u>6,601</u>	<u>1,034</u>

# Notes to the Condensed Interim Financial Statements

For the quarter ended September 30, 2014 (Un-audited)

	Note	September 30, 2014 (Un-audited) (Rs. in 000')	June 30, 2014 (Audited)
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## 5. LONG TERM INVESTMENT – investment in a subsidiary

Agriauto Stamping Company (Private) Limited	5.1	<u>1,028,320</u>	<u>1,028,320</u>
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- 5.1 The subsidiary company was incorporated on January 20, 2012 and the Company has made an investment of Rs 1,028.320 million (June 30,2014: Rs. 1,028.320 million) as at September 30, 2014. The Company holds 100 percent shares in its wholly owned subsidiary.

	Note	September 30, 2014 (Un-audited) (Rs. in 000')	June 30, 2014 (Audited)
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## 6. SHORT TERM INVESTMENTS

### Held- to- maturity

Term deposit receipts	6.1	<u>350,000</u>	510,000
Accrued profit thereon		<u>237</u>	<u>410</u>
		<u><u>350,237</u></u>	<u><u>510,410</u></u>

- 6.1 Represents three months term deposit receipts with a commercial bank carrying profit rate of 9.45 % (June 30, 2014: 8.50% to 9.50%) per annum and will mature by December 2014.

## 7. CONTINGENCIES AND COMMITMENTS

There is no material change in the status of contingencies and commitments as reported in the annual financial statements for the year ended June 30, 2014 other than described below:

### Commitments

- 7.1 Commitments in respect of outstanding letters of credit for raw material amount to Rs. 288.280 million (June 30, 2014: Rs. 231.358 million).
- 7.2 Commitments in respect of capital expenditure amount to Rs. 56.400 million (June 30, 2014: Rs. 3.134 million).

# Notes to the Condensed Interim Financial Statements

For the quarter ended September 30, 2014 (Un-audited)

## 8. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions with related parties during the period, are as follows:

	September 30, 2014 (Un-audited) (Rs. in 000')	September 30, 2013 (Un-audited)
Purchase of goods	-	127
Sales of Goods	2,266	-
Contribution to provident fund	1,332	1,266
Key management personnel compensation	4,948	5,438

## 9. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 25, 2014 by the Board of Directors of the Company.

## 10. GENERAL

Figures have been rounded off to the nearest thousands.

  
**YUTAKA ARAE**  
Chairman

  
**FAHIM KAPADIA**  
Chief Executive